

Martin J. O'Malley
Governor

Anthony G. Brown
Lt. Governor



Gloria G. Lawlah
Secretary

DEPARTMENT OF AGING
Choice, Independence and Dignity

BUDGET PRESENTATION
Senate Budget & Taxation Committee
Health and Human Services Subcommittee
February 22, 2013
House Appropriations Committee
Health and Human Resources Subcommittee
February 25, 2013
By Gloria Lawlah, Secretary
Maryland Department of Aging

Mr. Chairman (Madame Chairman), members of the Committee, I am pleased to be here today to present the budget for the Maryland Department of Aging for Fiscal Year 2014.

Before I begin, I would like to compliment our new Legislative Services budget analyst, Rich Harris. His recommendation that you concur with the Governor's allowance is evidence that he understands the essential services we provide to older adults in Maryland.

In each of your books you will find the Department's Annual Report. The report provides a summary of the Department's accomplishments and grant awards over the past year. It contains information about the programs we administer with State and federal funds. In the back of the report are listings of Area Agencies on Aging (AAAs), Senior Centers, and the membership of the Department's Commission on Aging. In addition, you will find a listing of local Maryland Access Point/Information and Assistance Offices. Be sure to mark this page, as this is where you and your staff will want to go to obtain information to resolve issues that are important to your constituents and their families.

The Maryland Department of Aging envisions Maryland as a place where all citizens can age with choice, dignity, opportunity and independence. MDoA, in partnership with the 19 Area Agencies on Aging, provides leadership and advocacy to Maryland's older adults and their families through information, education, and services.

Introduction

Andy Rooney once said, "It's paradoxical, that the idea of living a long life appeals to everyone, but the idea of getting old doesn't appeal to anyone."

BUDGET PRESENTATION

House Appropriations Committee, Health and Human Resources Subcommittee
Senate Budget & Taxation Committee, Health and Human Services Subcommittee
By Gloria Lawlah, Secretary, Maryland Department of Aging
February 2013
Page 2 of 4

Last year, I began my remarks to you by noting that every day in this country, 10,000 Baby Boomers turn 65 years old. I pointed out that one of the remarkable features of this era of the Baby Boom generation is that medical and technological advances have made it possible for men and women to live much longer. At first glance, longevity would appear to be something positive and an attribute to be pursued and celebrated. But when it comes to getting old, longevity can mean more time on this Earth dealing with disability, loss, confusion and distress – both emotional and physical.

This year, we are still challenged by profound demographic change. The shift from a younger America to an older one will affect us all. By 2040, the number of Americans over age 65 will more than double to 88 million. Put another way, one in five Americans will be 65 years of age or older. *One in five*. What will that mean?

Right now, older adults control nearly a third of total U.S. net wealth, according to a recent study. Remember how we used to think of older folks as being technologically challenged? Well, today, 60 percent of seniors are on the Internet – and the number is climbing. How can we tell that these changes are having an impact? Just a couple weeks ago, while our Ravens were winning the Super Bowl, the most popular commercial of the night featured a group of octogenarians sneaking out of their retirement home for a wild night of rave dancing, getting tattoos, and hanging out at Taco Bell as the sun came up. Now if Madison Avenue is taking notice, then you'd better believe others are paying attention as well.

Unfortunately, sometimes the wrong people are paying attention to older adults, people who want to steal their identity, empty their bank accounts, or bill Medicare for services never provided. We will continue to provide training and consumer education to teach people how to avoid becoming a victim of these scams.

In Maryland, the growth of the older adult population is having a positive effect. Over 850,000 Marylanders over age 55 are in the workforce and, given the poor outlook for retirement plans, their numbers are expected to grow. More grandparents over 60 are raising their grandchildren than ever before, providing care to young people who need nurturing. Nearly 30 percent of those over 65 in the state offer their time to volunteer for a community organization each year.

If that's the good news, let me now share some of the bad news. A recent *Washington Post* article warned that for the first time since the New Deal, a majority of Americans are headed toward a retirement in which they will be financially worse off than their parents. The cumulative effect of the recession and the weak recovery has left many Americans in a financially precarious position. Forecasts show that more than half of all workers in this country age 30 and older are on a path that will leave them financially unprepared for retirement.

Between 2000 and 2008, death rates from breast and prostate cancer, heart disease, stroke and HIV all fell, while the number of deaths from **Alzheimer's Disease** increased by two-thirds, an unintended consequence of longer life. As people live longer, the incidence of Alzheimer's

BUDGET PRESENTATION

House Appropriations Committee, Health and Human Resources Subcommittee
Senate Budget & Taxation Committee, Health and Human Services Subcommittee
By Gloria Lawlah, Secretary, Maryland Department of Aging
February 2013
Page 3 of 4

Disease will skyrocket, becoming a public health crisis. Alzheimer's and dementia care is already costing Americans \$200 billion a year with 70 percent of those costs paid by Medicare and Medicaid. In Maryland, there are about 86,000 people age 65 and older who have Alzheimer's Disease. By 2025, that number will grow to 100,000. President Obama, in his recent State of the Union address, called for investment in medical research on Alzheimer's, making it a national priority alongside defense, energy, and education.

Although there is currently no cure, researchers at Johns Hopkins have been studying how families manage the care of loved ones with dementia and have developed an evidence base for interventions that extend the time that individuals may be cared for at home, by as much as 300 days. This research will shape and inform practice guidelines for care managers in our aging network who work with clients with Alzheimer's Disease. We will be working with the Hopkins researchers to integrate these practice guidelines into our work and training. We will strengthen our information services to make sure that when families approach the State's aging network for assistance for a family member with dementia, we have the ability to quickly connect them with needed services.

We have serious problems facing us, Mister/Madame Chairman, ladies and gentlemen. The Department of Aging is working hard to help older Marylanders deal with the changing world head-on, by providing services that will help people age in their community, by making it easier and faster for them to access information and services, and by helping them make long-term care and end-of-life decisions earlier to avoid chaos and frustration later.

Our focus has been and will continue to be on diverting people from institutional care and, more recently, helping reduce unnecessary hospital and emergency room admissions. **Maryland Access Point** (MAP) has become a one-stop-shop for consumers looking for services and support for current and future needs. It is a major component of Maryland's long-term care rebalancing initiative to allow older adults and persons with disabilities to remain in their home or transition back home after living in a nursing home. MAP is playing an important role in informing professionals about resources and assisting the public in accessing transportation, long term services and supports, home repair and other personal services. Local and State agencies are working together to expand and raise the visibility of MAP.

The MAP program (known nationally as Aging and Disability Resource Center) has been a conduit for new state and federal funding sources to test new programs to allow older adults and persons with disabilities to remain at home, including the \$3.2 million grant we received in September 2012 to establish enhanced options counseling protocols within the MAP sites. Maryland was one of only eight states selected to receive this three-year grant.

Although most of our programs are focused on maintaining the independence, dignity, and quality of life of older adults and persons with disabilities, we must also protect vulnerable adults who are unable to advocate for themselves. Through programs such as the **Medicaid Waiver for Older Adults, Senior Care, Congregate Housing Services, National Family Caregiver**

BUDGET PRESENTATION

House Appropriations Committee, Health and Human Resources Subcommittee
Senate Budget & Taxation Committee, Health and Human Services Subcommittee
By Gloria Lawlah, Secretary, Maryland Department of Aging
February 2013
Page 4 of 4

Support Program, and the **Assisted Living Subsidy Program**, we are able to touch the lives of thousands of Marylanders and their families every day. A recent Brown University study underscored the value of **Home-Delivered Meals** in preventing nursing home care. With our newest partner, the U.S. Department of Veterans Affairs, we have implemented the **Veterans-Directed Home and Community-Based Services Program**. Local offices on aging will provide care management support to Veterans with disabilities participating in this program. We are honored to work with Maryland Veterans and look forward to expanding this program over the next few years.

For the State's 47,000 residents of nursing homes and assisted living, we are fortunate to have a strong **Long Term Care Ombudsman Program** to protect their rights and resolve complaints. Under our **Public Guardianship Program**, local office on aging directors may be appointed legal guardian for persons age 65 and older who have no relatives or friends able to assume this responsibility. The number of persons for whom a public guardian is appointed has been increasing and will continue to increase as the population grows.

Drop into one of the State's 100+ **Senior Centers** on any given day and you will find older adults involved a range of activities, such as art classes, lifelong learning, computer classes, exercise and fitness or volunteer activities. Our **Living Well Program**, offered in many locations throughout the State, is empowering people with chronic conditions to take control of their health. A new three-year, \$1 million grant awarded last Fall, will enable us to engage more people across the State to adopt a healthy lifestyle.

You have asked me to comment on ways to reduce the waiting list for Congregate Housing, Senior Care, and Assisted Living Subsidies. It is my hope that as we expand home and community based care options through new opportunities available under the Affordable Care Act, we will become less dependent on nursing home care and that the savings from reduced nursing home utilization will position the Governor to invest more State dollars in expanding these important and cost-effective services.

Summary

As a former legislator who served on the Senate Budget and Taxation Committee, I fully understand the difficult job you have ensuring a balanced budget that maximizes resources for your constituents.

Not only do we have a financial imperative to serve people in the most cost-effective settings, but we have a moral imperative to allow consumers to exercise choice and control over where they receive services and who provides services. We must remain vigilant in our efforts to protect the most vulnerable who are not able to advocate for themselves.

Thank you for your attention to these important issues. I look forward to working with you cooperatively over the next several years to transform the State's long term care landscape.